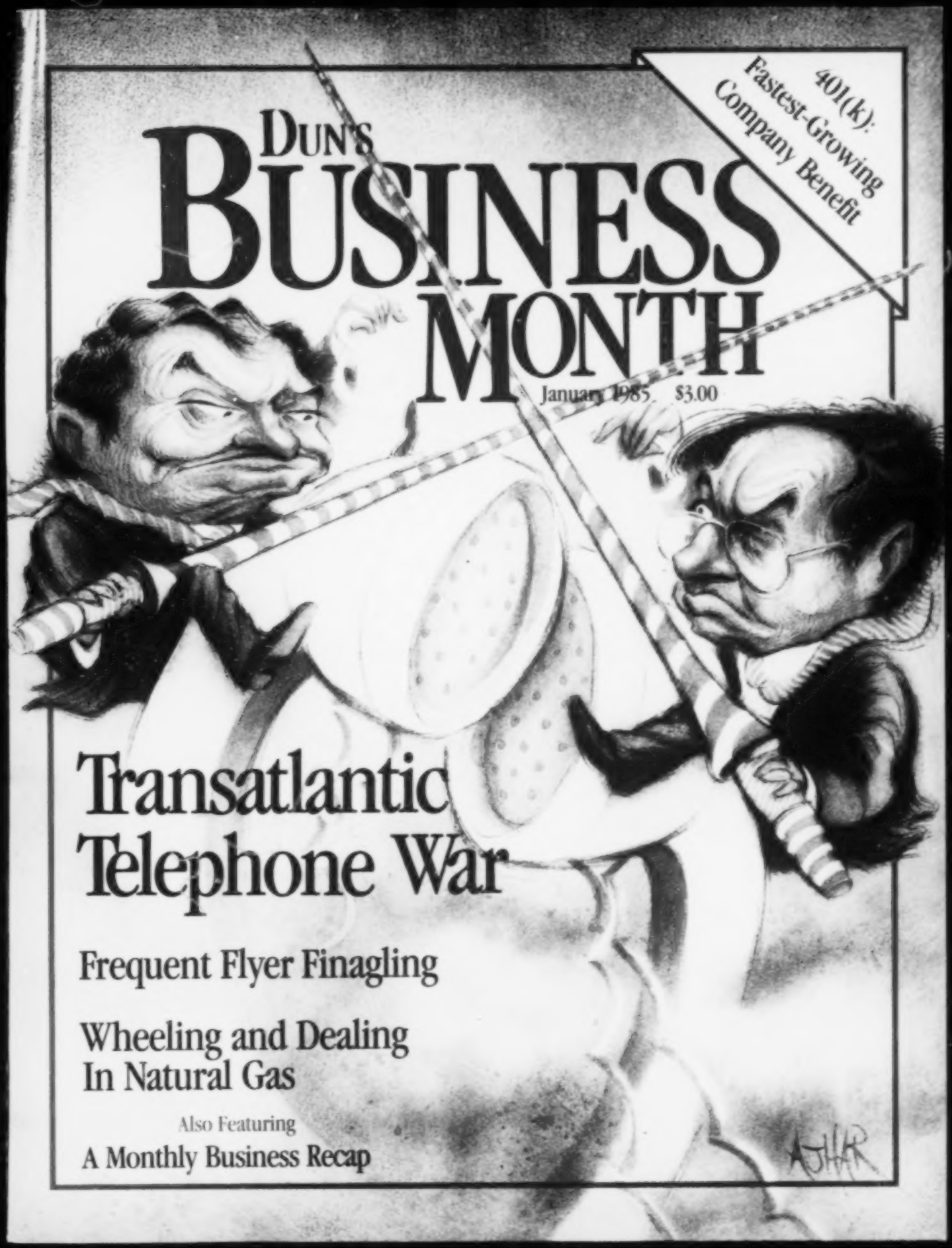
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INVESTMENT UPDATE

Here's the current status of a number of investments, and a look at how they have fared over the past month and the past year.

INVESTMENT	(11/30/84) Recent Price or Yield	Value of $10,000 if invested: Month Earlier	Year Earlier
Common Stock (Index fund, capital gains and dividends reinvested)	$19.83/share	$ 9,900	$10,287
per cent change		−.10%	+2.9%
Bonds (30-yr., 11¾% Treasury Bond)			
MARKET VALUE		$10,005	$10,030
ACCUMULATED INCOME	$100.56	$ 97	$ 853
TOTAL		$10,102	$10,883
per cent change		+1.0%	+9.8%
Money Market Fund	+9.34%	$10,077	$11,004
per cent change		+0.8%	+0.04%
Gold (Krugerrands)	$341.00/oz.	$ 9,863	$ 8,622
per cent change		-1.3%	-13.7%
HOUSE PRICES	**Recent**	**Month Earlier**	**Year Earlier**
Existing House	$78,200	$77,300	$77,700
per cent change		+1.15%	+.64%
New House	$99,100	$98,400	$98,000
per cent change		+.71%	+1.11%

Sources: Vanguard Group Inc.; Salomon Brothers; Donoghue's Money Fund Report; Deak-Perera Fifth Avenue, Inc.; Federal Home Loan Bank Board.

share, but nevertheless stocks that can do very well if held long enough. He's keen on some regional banks—for example, First American Corp. (Tennessee), which was recently selling at about 25. He thinks it is very well managed and has no worrisome California real estate or international loans; there is also the prospect that its marketing area will grow through the development of contiguous banking. Hammond-Chambers sees no reason why earnings shouldn't grow 10%-to-15% a year compounded during the next five years, and the stock itself could double or triple in the same time. Added to that, it offers a 4%-to-5% yield, "which takes care of inflation."

Among Hammond-Chambers' other favored lower, slower growers:

•Lomas & Nettleton Financial Corp., the largest mortgage banker in the U.S. It is very well-managed and has a "super record," with 15%-to-17% compound earnings growth during the past few years.

•Monarch Capital Corp., a life insurance company that is devoting a good deal of energy to developing new forms of insurance, including variable life. Earnings to date haven't been too good, but they should speed up, and 10%-to-15% growth per year in earnings per share is possible during the next few years.

•Standard Brands Paints, a hot stock some years back that fell on hard times and is now a turnaround situation. The stock is cheap, the company has a clean balance sheet, and management has made some changes that eventually will transform it from basically a California company into a national firm.

Earnings growth for such companies may be slower than it is for some of the more glamorous hi-tech issues, but if held long enough the earnings—and the price of the stock—can really mount. Sums up Hammond-Chambers: "Our experience is, if you're a very-long-term investor, you can make very large profits. If you're a short-term investor, you're constantly trading in and out of small profits and losses." —C.M.